

INDIA & BANGLADESH RISING STARS

By Matthew Bradd, Australian Cotton Shippers Association

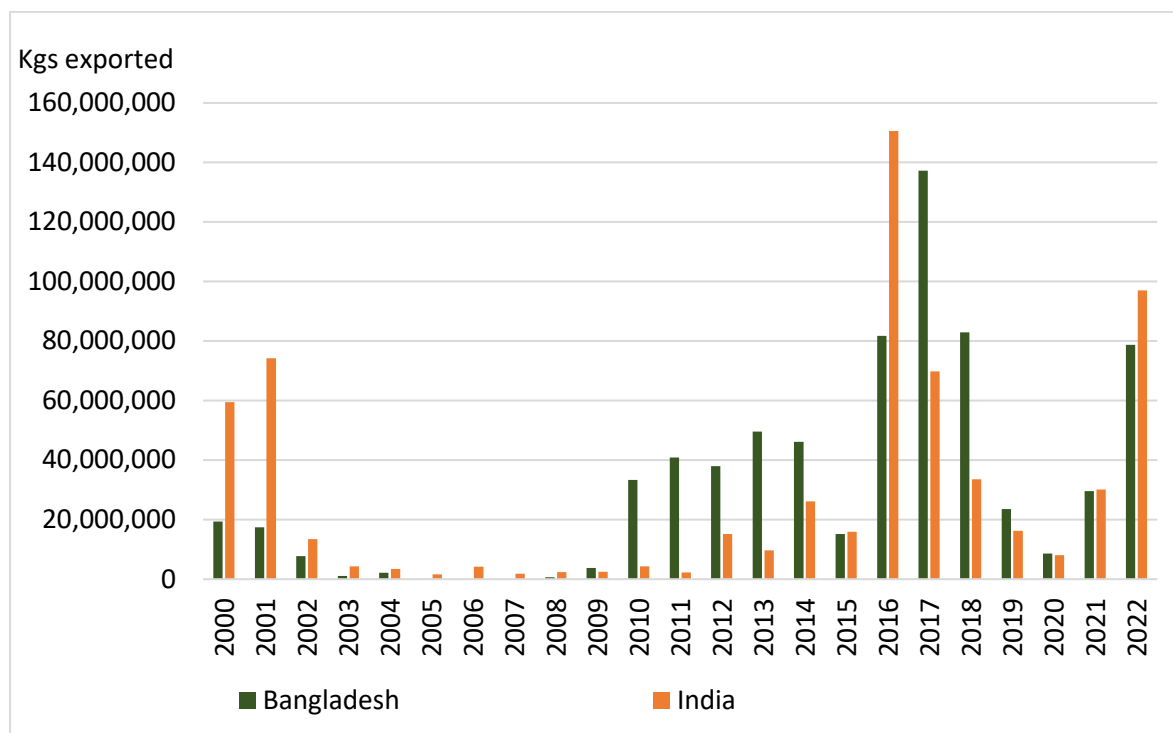
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The Australian Cotton Shippers Association (ACSA) recently undertook an export market development visit to India and Bangladesh. With 23,360 kilometres travelled, Australian Cotton seminars were hosted in Coimbatore (south), Mumbai (central), Ludhiana (north) in India and Dhaka in Bangladesh. An action packed and exhausting nine days was rewarded by full-house seminars with spinners and the wider textile industries of India and Bangladesh eager to learn more about Australian cotton and strengthen trading partnerships between our countries.

India is one of the largest textile industries in the world and improved access to this market will provide long term benefits to Australian cotton producers, shippers and the local economy. India was Australia's third largest buyer of cotton for the 2022 season. Bangladesh was sixth for the same period and has the potential to become the world's leading textile powerhouse. It is already the second-largest apparel exporter to the world and also the second-largest exporter of cotton yarn.

India of course has local production of raw cotton and its demand for imports varies year to year based on that production. However, the high quality of Australian cotton, and subsequent superior yarn production, ensures this market is a consistent buyer of our cotton.

Australian cotton exports to Bangladesh & India



The Economic Cooperation and Trade Agreement brokered between Australia and India has resulted in a 51,000 tonne (per annum) duty free quota for Australian cotton imported to India. This provides a significant benefit to buyers as the duty is currently 11%. As discussed and agreed by both Australian merchants and Indian spinners hopefully the agreement will lead to further quota being allocated as part of a Free Trade Agreement between Australia and India.

ACSA was well supported by the Australian Trade Commission in both India and Bangladesh and our visit this time had special significance as Austrade's Trade & Investment Commissioner for food, beverage, agriculture and consumer products into India and south Asia John Southwell was raised in cotton heartland (Wee Waa). John spoke to seminar delegates about the success of the Australian cotton industry, the ability to access markets and its influence on family farms and communities. He also highlighted how Australian cotton stands ready to contribute further to the Indian economy.



Pic

John Southwell, Trade & Investment Commissioner
Atul S Ganatra, President of the Cotton Association of India
Matthew Bradd, ACSA Chairman
Michael O'Rielley, ACSA Director
Cliff White, ACSA Director

Australian cotton is not new to India or Bangladesh – we've been exporting cotton to these markets for decades. The opportunity to visit these markets to generically promote Australian cotton builds on connections and reaffirms relationships. This visit provided opportunity for ACSA and some of the local textile industry associations to strive to build on relationships and explore opportunities to collaborate further. This is demonstrated by an upcoming visit of 40 home/garment suppliers visiting Australia later this year. Whilst the visit is primarily to participate in a supply expo, it will also provide opportunities to engage and learn more about Australian cotton on the ground from a supply perspective and also the opportunity to meet with brandowners with the view to establishing supply chain relationships. What a perfect full circle - Australian grown cotton turned into lovely apparel and homewares in India and sold on the shelves of Australian stores.

With the assistance of the Australian government under the ATMAC program ACSA is looking at additional in-market visits in the year ahead to key to promote our wonderful Australian cotton and grow demand in export market destinations.

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